| 1 | Richard W. Kuhling | The Honorable Alan A. McDonald ILED IN THE |
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| 2 | PAINE, HAMBLEN, COFFIN, | U.S. DISTRICT COURT EASTERN DISTRICT OF WASHINGTON |
| 3 | BROOKE & MILLER LLP | JUN 1 0 2002 |
| 4 | 717 W. Sprague Avenue, Suite 1200 Spokane, Washington 99201-3505 | JAMES R. LARSEN, CLERK |
| 5 | Telephone: (509) 455-6000 | CEVE BOKANE, WASHINGTON DEPUTY |
| 6 | Facsimile: (509) 838-0007 | JUN 1 0 2002 |
| _ | | PERKINS COIE LLP |
| 7 | Attorneys for Defendant LINCOLN | COIL LLP |
| 8 | DIAGNOSTICS, INC. | |
| 9 | MANAGED OF A THE C DIC | TRICT COURT FOR THE |
| 10 | - - · | TRICT COURT FOR THE CT OF WASHINGTON |
| 11 | EASIERUDISTRE | CI OI WIRDING OF |
| 12 | HOLLISTER-STIER |) |
| 13 | LABORATORIES, LLC, a Delaware | |
| 14 | limited liability company, | |
| 15 | Plaintiff, |) No. CS-02-0160-AAM |
| 16 | , | ý) |
| 17 | v. |) LINCOLN DIAGNOSTICS' |
| 18 | TO STATE OF THE ST |) ANSWER TO COMPLAINT) FOR FALSE ADVERTISING |
| 19 | LINCOLN DIAGNOSTICS, INC., an Illinois corporation, |) FOR FALSE ADVERTISING |
| 20 | an finnois corporation, |) |
| | Defendant, |) |
| 21 | | |
| 22 | | _) |
| 23 | TO: CLERK OF THE COUR | RT |
| 24 | | STIER LABORATORIES, LLC and its |
| 25 | attorneys | |
| 26 | | |
| 27 | | |
| 28 | | PAINE, HAMBLEN, COFFIN, BROOKE & MILLER LLP |
| 29 | | 717 WEST SPRAGUE AVENUE, SUITE 1200 SPOKANE, WA 99201 PHONE: (509) 455-6000 |
| 30 | ANSWER TO COMPLAINT - 1 | 2. 2 |
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Defendant, LINCOLN DIAGNOSTICS, INC., by and through its attorney, Richard Kuhling of Paine, Hamblen, Coffin, Brooke & Miller, LLP, in answer to the Plaintiff's Complaint admits, denies and alleges as follows:

I. PARTIES

- 1. Upon information and belief, this Defendant admits the allegations contained in paragraph 1 of Plaintiff's Complaint.
- 2. This Defendant admits the allegations contained in paragraph 2 of Plaintiff's Complaint.

II. JURISDICTION AND VENUE

- 3. This Defendant denies that this Court has subject matter jurisdiction over this action. This Defendant admits that Plaintiff's Complaint seeks relief in part under the laws of the United States, and the laws of the State of Washington, but denies liability pursuant to those laws. This Defendant is without sufficient information about the citizenship of Plaintiff or the amount in controversy, therefore, denies that this Court has jurisdiction pursuant to a 28 U.S.C. §1332.
- 4. This Defendant admits that this Court has personal jurisdiction over defendant as it has marketed and sold products in Washington, but denies each and every other allegation contained in paragraph 4 of Plaintiff's Complaint.
 - 5. This Defendant denies that venue is proper in this Court.

III. BASIS FOR CLAIMS

- 6. This Defendant admits the allegations contained in paragraph 6 of Plaintiff's Complaint.
- 7. This Defendant admits that it manufactures, markets and sells the DUOTIP-TEST® MULTI-TEST® and MULTI-TEST II®. This Defendant denies that the DUOTIP-TEST® has "a plastic tip," but asserts that the

PAINE, HAMBLEN, COFFIN, BROOKE & MILLER LLP 717 WEST SPRAGUE AVENUE, SUITE 1200 SPOKANE, WA 99201 PHONE: (509) 455-6000

ANSWER TO COMPLAINT - 3

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- This Defendant denies the allegations contained in paragraph 18 18. of Plaintiff's Complaint.
- This Defendant denies the allegations contained in paragraph 19 19. of Plaintiff's Complaint.

Further answering Plaintiff's Complaint, and by way of affirmative defense, this Defendant alleges:

- A previously filed action involving the same parties and the same issues is currently pending in the U.S. District Court for the Central District of Illinois, No. 2002 cv 2109. In the interests of comity and judicial economy, this Court should dismiss, stay or transfer this case to the U.S. District Court for the Central District of Illinois pursuant to the "first to file" rule.
- This Court lacks subject matter jurisdiction as a previously filed action involving the same parties and the same issues is currently pending in another district.
- The proper venue in this action does not lie in the Eastern District 3. of Washington, but lies in Illinois, where the same parties are currently litigating the same issues. Further, Illinois is the location of the weight of information and evidence related to the advertisements at issue in this case.
- Plaintiff's Complaint fails to state a claim upon which relief can be granted in that the advertisements cited by Plaintiff are not false or misleading.
- To the extent that discovery reveals the existence of any other 5. affirmative defenses not presently known to this Defendant, Defendant reserves the right to amend its answer to include any such affirmative defenses in the interest of justice.

PAINE, HAMBLEN, COFFIN, BROOKE & MILLER LLP

717 WEST SPRAGUE AVENUE, SUITE 1200

SPOKANE, WA 99201 PHONE: (509) 455-6000

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ANSWER TO COMPLAINT - 4

| 1 | WHEREFORE, Defendant, having fully answered Plaintiff's Complaint |
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| 2 | prays that the same be dismissed and that this Defendant be awarded its costs |
| 3 | and fees as allowed by law and statute, including attorney fees, and such other |
| 4 | relief the Court deems just and equitable. |
| 5 | DATED this 10th day of June, 2002. |
| 6 | |
| 7 | PAINE, HAMBLEN, COFFIN, |
| 8 | BROOKE & MILLER LLP |
| 9 | |
| 10 | |
| 11 | By: final Color 22997 |
| 12 | Richard W. Kuhling, WSBA #7927 Attorneys for Defendant |
| 13 | Lincoln Diagnostics, Inc. |
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| 28 | PAINE, HAMBLEN, COFFIN, BROOKE & MILLER LLF |
| 29 | 717 WEST SPRAGUE AVENUE, SUITE 1200 SPOKANE, WA 99201 PHONE: (509) 455-6000 |
| 20 | ANSWER TO COMPLAINT - 5 |

1 2 CERTIFICATE OF SERVICE 3 I certify that on this 10th day of June, 2002, a true and correct copy of 4 the foregoing LINCOLN DIAGNOSTICS' ANSWER TO COMPLAINT FOR 5 FALSE ADVERTISING was caused to be served as indicated below and 6 7 addressed as follows: 8 U.S. MAIL 9 Susan E. Foster ✓ HAND-DELIVERED Jed M. Silversmith 10 **OVERNIGHT MAIL** Mary P. Gaston 11 TELECOPY (FAX) PERKINS COIE LLP 12 221 N. Wall Street, Suite 600 Spokane, WA 99201 13 Attorneys for Plaintiff 14 15 16 17 18 19 20 I:\Spodocs\30545\00001\plead\00045587.DOC:cf 21 22 23 24 25 26 27 28 PAINE, HAMBLEN, COFFIN, BROOKE & MILLER LLP 717 WEST SPRAGUE AVENUE, SUITE 1200 29 SPOKANE, WA 99201 PHONE: (509) 455-6000 ANSWER TO COMPLAINT - 6 30